Motrument Prepared By: Mas + Oil Board 529

VIRGINIA:

BOOK 523 PAGE 514

ENTERED

## BEFORE THE VIRGINIA GAS AND OIL BOARD

IN RE:

SUPPLEMENTAL ORDER REGARDING DOCKET NUMBER VGOB-00-1121-0837

ELECTIONS: UNIT D-26 (herein "Subject Drilling Unit")

## **REPORT OF BOARD**

## **FINDINGS AND ORDER**

This Supplemental Order is entered by the Board *sua sponte* in the form authorized by the Board at hearings held on February 15, 1994 and June 16, 1992; and this Supplemental Order is being recorded for the purpose of supplementing the Order previously in the captioned matter on March 2, 2001 which was recorded at Deed Book 520, Page 267 in the Office of the Clerk of the Circuit Court of Buchanan County, Virginia, on March 7, 2001, (herein "Board Order") and completing the record regarding elections.

Findings:

The Board finds that:

The Board Order directed Consol Energy Inc. (herein "Designated Operator") to mail copies of the Board Order to all Respondents whose interests, if any, were pooled by the said Board Order;

The Designated Operator filed its affidavit of elections disclosing that it had mailed a true and correct copy of the Board's Order to all Respondents whose interests, if any, were pooled by said Board Order;

The Board Order required each Respondent whose interests, if any, were pooled by the terms of said Board Order to make an election within thirty (30) days after the date of mailing or recording, as applicable, of said Order; the affidavit of elections filed herein and annexed hereto as Exhibit A states: (i) whether each Respondent has made or failed to make a timely election; (ii) the nature of any election(s) made; and (iii) whether, by reason of a failure to elect or to timely elect one or more Respondents are deemed, under the terms of the Board's Order, to have leased all their rights, title, interests, estates and claims in Subject Drilling Unit to the Applicant;

That the affidavit of elections annexed hereto with the Exhibits submitted therewith identifies the Respondent(s) making a timely election, if any; identifies the Respondent(s), if any, who are deemed to have leased; identifies the conflicting interests and claims which require escrow; identifies the interests and claims, if any, requiring escrow under Virginia Code section 45.1-361.21.D.; and identifies the Respondents, if any, who may be dismissed by reason of having leased or entered into a voluntary agreement with the Applicant.

The affidavit of elections indicates that the escrow of funds is required with regard to Unit D-26;

Order: By this Order, the Board orders the Designated Operator to tender, consistent with and in accordance with the findings set forth at paragraph 2. above and the annexed affidavit of elections with Exhibits thereto, any funds subject to escrow and instructs the Escrow Agent, First Union National Bank, Corporate Trust PA1328,123 Broad Street, Philadelphia, PA 19109-1199, Telephone: (215) 985-3485 or (800) 664-9359, Attn: Don Ballinghoff, or any successor named by the Board to establish interest bearing escrow account(s), IRS Tax Identification Number 54-1629506, in accordance with the information set forth in the affidavit of elections with Exhibits thereto, to receive funds and account to the Board therefore.

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Mailing of Order and Filing of Affidavit: The Designated Operator under the captioned Order or shall file an affidavit with the Secretary of the Board within ten (10) days after the date of receipt of this Order stating that a true and correct copy of this Order was mailed to each Respondent whose interests or claims are subject to escrow and whose address is known within seven seven (7) days from the date of receipt of this Order.

<u>Conclusion:</u> Therefore, the findings and all terms and provisions set forth above be and hereby are granted and IT IS SO ORDERED.

DONE AND EXECUTED this	_, 2001, by a majority of the
Virginia Gas and Oil Board.	
B	few of
Chairman, Benny	R. Wampley
STATE OF VIRGINIA COUNTY OF WISE	
Acknowledged on this day of May, 2001, p public in and for the Commonwealth of Virginia, appeared Benny R. Wampler, being say that he is Chairman of the Virginia Gas and Oil Board, that he executed the same	
Susan G. Garrett Notary	Lavell
My commission expires: 2-31-02.	
DONE AND PERFORMED THIS 4th day of May , 20	001, by Order of the Board.
B. R. Wilson Director of the Dir	vision of Gas & Oil Board
and Principal Exe	cutive to the Board
STATE OF VIRGINIA COUNTY OF WASHINGTON	
$u_{r}^{r}$	1, personally before me a
notary public in and for the Commonwealth of Virginia, appeared B. R. Wilson, being and say that he is Acting Principal Executive to the Staff, Virginia Gas and Oil Boa	ing duly sworn did depose
same and was authorized to do so.  My commission expires: 9/30/200).  Diane J. Davis, Moreover, 1980.	Dewis otary

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VIRGINIA:

### Exhibit A

## BEFORE THE VIRGINIA GAS AND OIL BOARD

IN RE:

Application of BUCHANAN PRODUCTION CO. for Forced Pooling of Interests in CBM Unit D-26 VGOB-00-1121-0837 in the Garden District of Buchanan County, Virginia

AFFIDAVIT OF Consol Energy Inc. (herein "Designated Operator") REGARDING ELECTIONS, ESCROW AND SUPPLEMENTAL ORDER

Leslie K. Arrington, being first duly sworn on oath, deposes and says:

That your affiant is employed by Consol Energy Inc., as a Gas Engineer and is duly authorized to make this affidavit on behalf of the designated operator,

That the Order entered on March 2, 2001, by the Virginia Gas and Oil Board (hereinafter "Board") regarding the captioned CBM Unit required the Applicant to mail a true and correct copy of said Order to each person pooled by the Order;

That within seven (7) days of receipt of an executed copy of the Order referred to at paragraph 2. above, your affiant caused a true and correct copy of said Order to be mailed via the United States Postal Service to each Respondent named in the captioned Application, whose address was known, and to all persons, if any, who were added as Respondents at the hearing held in the captioned matter; that proof of such mailing has previously been tendered to the Division of Gas and Oil, the Office of the Gas and Oil Inspector, at Abingdon, Virginia;

That the Order of the Board in the captioned matter required all persons pooled thereby to tender their written elections to the Unit Operator within thirty (30) days of the date the Order was recorded in the county identified above; that said Order was recorded on March 7, 2001;

That the designated operator Consol Energy Inc. has established procedures to review all mail received and all written documents received other than by mail to ascertain whether parties whose interests have been pooled have made a written election, in a timely fashion, as required by the captioned Order; that said procedures were followed to identify the elections, if any, made with regard to the Subject Unit; that the following persons delivered, by mail or otherwise, written elections the Unit Operator, within the thirty day elections period:

None.

That Respondents identified in Exhibit B-3 hereto are, having failed to make any election, deemed to have leased their coalbed methane rights, interests and claims to Applicant, all as provided in the Board's Order of March 2, 2001;

See Attached Exhibit B-3

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That the rights, interests and claims of the following persons are subject to escrow under the Board's Order pooling the captioned Unit, Board Regulations and the Code of Virginia:

See attached Exhibit E

That after the pooling hearing held in the captioned matter, the following persons have leased or entered into a voluntary agreement with the Designated Operator:

None

that to the extent any of said persons listed in Exhibit B-2 have rights, interests and claims which are not subject to escrow, they should be dismissed as respondents; the Operator requests that the following persons be dismissed as Respondents:

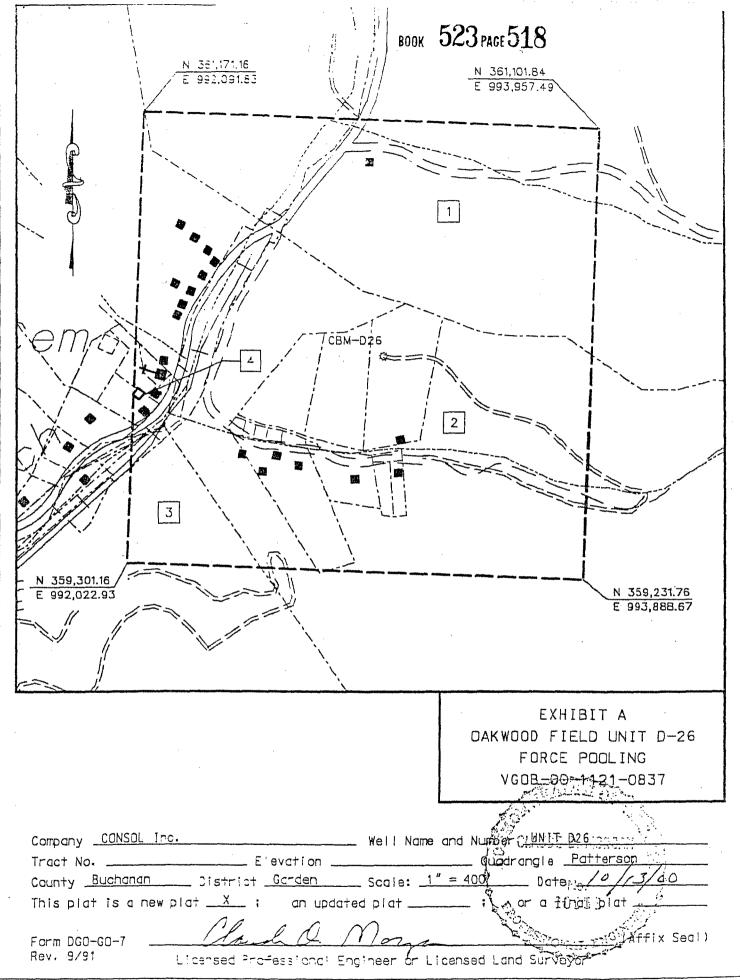
None

That the persons identified in Exhibit EE attached hereto have entered into royalty split agreements that allow the Applicant/Designated Operator to pay them directly without the need to escrow funds which would otherwise be in conflict.

None

That pursuant to the provisions of VAC 25-160-70.A.10. and C. and VAC 25-160-80 the annexed supplemental order sets forth the interests and claims that require escrow of funds pursuant to Virginia Code sections 45.1-361.21.D. and 45.1-361.22.A.3. and 4.

Dated at Tazewell, Virginia, this 200 day of	of <i>April</i> , 2001.
	Geslie K. Chung Jan Leslie K. Arrington
Taken, subscribed and sworn to before me by Leslie K behalf of the corporate Designated Operator, this <b>2</b>	Arrington as Gas Engineer of Consol Energy Inc., o day of
My commission expires: 11 36 01 .	



## CONSOL INC. UNIT D-26

Tract Identifications

- C.L. Ritter Lumber Co. Tr. 21 Coal, Oil & Gas Island Creek Coal Company - Below Drainage Coal Leased Jewell Smokeless Coal Corp. - Above Drainage Coal Leased Buchanan Production Co. - CBM Leased 24.03 Acres - 30.0375%
- 2. C.L. Ritter Lumber Co. Tr. 22 Coal, Oil & Gas Island Creek Coal Company Below Drainage Coal Leased Jewell Smokeless Coal Corp. Above Drainage Coal Leased Buchanan Production Co. CBM Leased 48.73 Acres 60.9125%
- 3. C.L. Ritter Lumber Co. Tr. 24 Coal, Oil & Gas Island Creek Coal Company Below Drainage Coal Leased Jewell Smokeless Coal Corp. Above Drainage Coal Leased Buchanan Production Co. CBM Leased 5.44 Acres 6.8000%
- 4. Unknown (Adverse) 1.80 Acres - 2.2500%

# Exhibit B-3 UNIT D-26 Docket # VGOB - 00-1121-0837 List of Unleased Owners/Claimants

			Acres in Unit	Percent of Unit	
l.	COAL FEE OWNERSHIP				
	<u>Tract #4, 1.80 acres</u>				
	(1)	Unknown (Adverse)	1.8 acres	2.25000%	
Ħ.	II. OIL & GAS FEE OWNERSHIP				
	<u>Tract #4, 1.80 acres</u>				
	(1)	Unknown (Adverse)	1.8 acres	2.25000%	

# Exhibit E UNIT D-26 Docket # VGOB - 00-1121-0837 List of Owners/Claimants that require escrow

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Percent of Unit Acres in Unit COAL FEE OWNERSHIP l. Tract #4, 1.80 acres 2.25000% 1.8 acres Unknown (Adverse) (1) OIL & GAS FEE OWNERSHIP 11. Tract #4, 1.80 acres 2.25000% 1.8 acres Unknown (Adverse) (1)

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### OFFICIAL RECEIPT BUCHAMAN COUNTY CIRCUIT COURT DEED RECEIPT

DATE: 05/07/01 TIME: 08:48:48 ACCOUNT: 027CLR010001213 RECEIPT: 010000002412 CASHIER: AKT REG: BU01 TYPE: AG PAYMENT: FULL PAYMENT INSTRUMENT: 010001213 BOOK: PASE: RECORDED: 05/07/01 AT 08:46 GRANTOR: VIRGINIA GAS AND OIL BOARD EX: N LOC: CO GRANTEE: COMBOL EMERGY INC AND ADDRESS: RECEIVED OF: DEPT MINES MINERALS EMERGY

CMECK: \$119.00

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CLERK OF COURT: JAMES M. BEVINS JR.



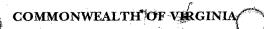
## COMMONWEALTH OF VIRGINIA



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### OFFICIAL RECEIPT BUCHANAN COUNTY CIRCUIT COURT DEED RECEIFT

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INSTRUMENT: 010001220 BOOK: PASE: RECORDED: 05/07/01 AT 08:53
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CHECK: \$72.00
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AMOUNT PAID: 72.00
CHANSE ANT: .00

CLERK OF COURT: JAMES M. BEVINS JR.

COMMONWEALTH OF VIRGINIA



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BUCHANAN COUN

DEPT MINES MINERALS ENERGY

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CLERK OF COURT: JAMES M. BEVINS JR.

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